

Testimony before the Appropriations Committee
2.22.12

Regarding:
HB 5014, AA Making Adjustments to State Expenditures and Revenues for the
Fiscal Year Ending June 20, 2013
Health and Hospitals-DMHAS

Senator Harp, Representative Walker and members of the committee, my name is Dominique Thornton and I am the General Counsel and Director of Public Policy for the Mental Health Association of Connecticut (MHAC). MHAC is a 100-year old private nonprofit dedicated to service, education and advocacy for people with mental health disabilities.

I am also here representing Connecticut Association of Nonprofits (CT Nonprofits) behavioral health providers. CT Nonprofits represents over 500 nonprofits, 100 of which hold purchase of service (POS) contracts with the Department of Mental Health & Addiction Services to provide health and human services on its behalf. I am here today in overall support of the Governor's budget recommendations for the Department of Mental Health & Addiction Services (DMHAS); however we have concerns about proposed changes to the Medicaid LIA program.

First, we would like to thank Governor Malloy for his proposal of a 1% cost-of-living adjustment (COLA) for nonprofits as well as his commitment to the nonprofit community. We look to continue our partnership with the state in ensuring a safety net that meets the needs of so many CT residents.

As you know, more and more Connecticut residents are in need of the vital and sometimes life saving services nonprofits provide. At the same time nonprofits strive to provide these services in the most efficient and cost-effective way possible. This has been a difficult task with no COLA since 2008. The lack of funding has negatively impacted many nonprofits, causing them to reduce benefits to employees and delay hiring. There is a serious need for the proposed 1% COLA and we hope it is the first step in addressing years of chronic underfunding. We request that the Committee consider making the COLA effective July 1st instead of January 1st so that nonprofits can benefit from the full 1% in FY13.

We have serious concerns about a proposed waiver to restructure Medicaid for Low Income Adults (LIA), which will result in a \$5.6 million reduction to DMHAS and a \$16.9 million reduction within the Department of Social Services. The waiver will seek to establish an asset limit of \$25,000; count family income and assets for an applicant under the age of 26 who is living with a parent or claimed as a dependent for tax purposes and will impose limits on coverage for certain medical services. This waiver proposal would result in a program that is more limited than what was available before Medicaid was extended to this new population and under the proposed benefit changes, HUSKY D (Medicaid LIA) participants would receive less adequate health care coverage than other Medicaid participants. We understand that the unexpected growth in the program has been challenging for the state, but believe that it is representative of the need for these services within our communities and we urge the Committee's careful consideration of the proposed changes.

We support the increased funding for discharge and diversion services, non-reimbursable costs under the Medicaid Adult Rehab Options, and increased community placements for individuals with traumatic brain injury or acquired brain injury (TBI/ABI). We ask for the Committee's support of these increases so DMHAS, in partnership with private nonprofit providers, can continue to meet the growing need of CT residents.

We would like to thank Commissioner Rehmer for her support in ensuring that in these difficult fiscal times cuts to nonprofit providers are minimized. Commissioner Rehmer continues to demonstrate a true partnership with the Department's nonprofit providers through her open communication and leadership. We also thank the Committee for its continued efforts to protect the safety net that meets the need of CT residents.

Thank you for your time and for the opportunity to provide testimony today. Please do not hesitate to contact me with any questions.

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